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DPS 0775
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RW-42

SUBJECT: Proposed Costs - Contract 1-101
The Ramo-Wooldridge Corporation

TO: The Contracting Officer

1. We have examined the contractor's cost estimates submitted on the following documents:

1) CMCC Doc No. 151 X 5.961
2) " " " 151 X 5942
3) " " " 151 X 5.972
4) " " " 151 X 5.1019
5) " " " 151 X.5.1060

2. Subject to approval of the fees by the contracting officer, it is our opinion that, with the exception of the proposed engineering overh

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rates, the contractor's cost estimates are reasonable for the purposes intended.

3. Proposed engineering and G & A rates are compared below with rates developed from the contractor's records for the three-months period ended 31 March 1968.

25X1A

	[redacted]
Engineering Overhead	
G & A Expense	

4. Relative to funding, overhead applied at book rates would reduce the proposed costs (including fee) by approximately 25X1A [redacted]

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